# BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF ROCKY MOUNTAIN	)	CASE NO. PAC-E-22-10
POWER'S APPLICATION FOR	)	
AUTHORITY TO INCREASE ELECTRIC	)	<b>ORDER NO. 35546</b>
SERVICE SCHEDULE 191–CUSTOMER	)	
EFFICIENCY SERVICES RATE	)	
	_ )	

On July 8, 2022, PacifiCorp d/b/a Rocky Mountain Power ("Company") applied to the Commission for authority to increase its Electric Service Schedule 191—Customer Efficiency Services Rate Adjustment ("Schedule 191")—to align revenue collections with demand-side management ("DSM") expenditures. Application at 1. If approved, the Schedule 191 rate would increase from 2.25% to 2.5%, effective October 1, 2022. *Id.* The Company requested that its Application be processed by Modified Procedure. *Id.* 

On August 3, 2022, the Commission issued a Notice of Application and Notice of Modified Procedure establishing public comment and Company reply deadlines. The Commission Staff ("Staff") filed comments. The Company did not file a reply. No other comments were received.

Having reviewed the record, the Commission now issues this Order approving the Company's Application.

## **BACKGROUND**

On April 1, 2022, the Commission rejected the Company's previous Application to adjust Schedule 191 from 2.25% to 2.75%, because the Company included programs pending Commission approval in the forecasted DSM calculations. Case No. PAC-E-22-03, Order No. 35363. The Commission subsequently approved the Company's Wattsmart Battery Demand Response program in Case No. PAC-E-21-16, Order No. 35370, and the Company has adjusted its DSM expenditure forecast accordingly.

### THE APPLICATION

The Company expects a gradual alignment of the DSM balancing account over a three-year period by increasing the Schedule 191 rate. The Company stated that the current balance for Schedule 191 is over-collected by \$255,450. However, due to increased DSM program expenses and the introduction of new program offerings—including the Wattsmart Battery Program—the

Company projects that the DSM balancing account will be \$1.16 million under-collected by the end of 2024 without adjustment. The Company represented that future DSM expenditures are expected to exceed revenue, and asserted that it is reasonable to begin aligning the DSM balancing account over a three-year period.

#### STAFF COMMENTS

Staff reviewed the Company's Application and Exhibits, ultimately recommending that the Commission approve the Company's Application and tariffs as filed, increasing the Schedule 191 rate to 2.5%.

## **COMMISSION FINDINGS AND DECISION**

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-501, -502, and -503. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provision of law, and to fix the same by order. *Idaho Code* §§ 61-502 and -503.

The Commission has reviewed the record, including the Application and the comments of Staff. The Commission continues its support of allowing DSM cost-recovery because "cost-effective DSM provides benefits to non-participants by reducing the overall cost of serving new load [and] benefits all Idaho customers by reducing Idaho's allocation of system power supply costs. Order No. 29952; Order No. 33491. Based on our review, we find it reasonable to approve the Company's Application and proposed tariff. The Company has substantiated the need to adjust the Schedule 191 rate to 2.5% to offset the costs of its DSM programs and avoid creating a large deferral balance.

## **ORDER**

IT IS HEREBY ORDERED that the Company's Application to increase the Schedule 191-Customer Efficiency Services Rate to 2.5% is approved.

IT IS FURTHER ORDERED that the Company's proposed Schedule 191-Customer Efficiency Services Rate Adjustment is approved as filed.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order regarding any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* § 61-626.

DONE by Order of the Public Utilities Commission at Boise, Idaho this  $29^{\text{th}}$  day of September 2022.

ERIC ANDERSON, PRESIDENT

JOHN CHATBURN, COMMISSIONER

JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:

Jan Noriyuki

**Commission Secretary** 

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